

HOUSE BILL No. 1519

DIGEST OF INTRODUCED BILL

Citations Affected: IC 6-1.1-17-0.5.

Synopsis: Assessed value for setting property tax rates. Permits the county auditor, in reducing a taxing unit's assessed value used to set tax rates for the taxing unit, to take into account any property tax deduction allowed after assessed values are certified. Extends the deadline for the county auditor to report the reduction from December 31 to January 15 to allow accounting for deduction applications filed at the end of the year.

Effective: July 1, 2009.

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January 14, 2009, read first time and referred to Committee on Ways and Means.

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Introduced

First Regular Session 116th General Assembly (2009)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2008 Regular Session of the General Assembly.

HOUSE BILL No. 1519

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

1 SECTION 1. IC 6-1.1-17-0.5, AS AMENDED BY P.L.144-2008,
2 SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3 JULY 1, 2009]: Sec. 0.5. (a) For purposes of this section, "assessed
4 value" has the meaning set forth in IC 6-1.1-1-3(a).

5 (b) The county auditor may exclude and keep separate on the tax
6 duplicate for taxes payable in a calendar year the assessed value of
7 tangible property that meets the following conditions:

8 (1) The assessed value of the property is at least nine percent
9 (9%) of the assessed value of all tangible property subject to
10 taxation by a taxing unit.

11 (2) The property is or has been part of a bankruptcy estate that is
12 subject to protection under the federal bankruptcy code.

13 (3) The owner of the property has discontinued all business
14 operations on the property.

15 (4) There is a high probability that the taxpayer will not pay
16 property taxes due on the property in the following year.

17 (c) This section does not limit, restrict, or reduce in any way the

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property tax liability on the property.

(d) For each taxing unit located in the county, the county auditor may reduce for a calendar year the taxing unit's assessed value that is certified to the department of local government finance under section 1 of this chapter and used to set tax rates for the taxing unit for taxes first due and payable in the immediately succeeding calendar year. The county auditor may reduce a taxing unit's assessed value under this subsection only to enable the taxing unit to absorb the effects of reduced property tax collections in the immediately succeeding calendar year that are expected to result from any or a combination of the following:

(1) Successful appeals of the assessed value of property located in the taxing unit.

~~(2) Deductions under IC 6-1.1-12-37 that result from the granting of applications for the homestead credit for the calendar year under IC 6-1.1-20.9-3 or IC 6-1.1-20.9-3.5 after the county auditor certifies assessed value as described in this section.~~

~~(3) (2) Deductions that result from the granting of applications for deductions for the calendar year under IC 6-1.1-12-44~~
IC 6-1.1-12 after the county auditor certifies assessed value as described in this section.

Not later than ~~December 31~~ **January 15** of each **calendar** year, the county auditor shall send a certified statement, under the seal of the board of county commissioners, to the fiscal officer of each political subdivision of the county and to the department of local government finance. The certified statement must list **for the immediately preceding calendar year** any adjustments to the amount of the reduction under this subsection and the information submitted under section 1 of this chapter that are necessary as the result of **successful appeals of the assessed value of property and processing homestead credit applications** and deduction applications that are filed after the county auditor certifies assessed value as described in this section. The county auditor shall keep separately on the tax duplicate the amount of any reductions made under this subsection. The maximum amount of the reduction authorized under this subsection is determined under subsection (e).

(e) The amount of the reduction in a taxing unit's assessed value for a calendar year under subsection (d) may not exceed two percent (2%) of the assessed value of tangible property subject to assessment in the taxing unit in that calendar year.

(f) The amount of a reduction under subsection (d) may not be offered in a proceeding before the:

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- 1 (1) county property tax assessment board of appeals;
- 2 (2) Indiana board; or
- 3 (3) Indiana tax court;
- 4 as evidence that a particular parcel has been improperly assessed.

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